

It doesn't get any better than this. You were wonderful. We thank you. It's been wonderful for Hillary and for me to have all of you here. There will be music out in the foyer and a little dancing if you have a little of that spirit.

I will say this: For all of us who come from small towns all across America, I wish I had a nickel for every time I drove through that town you sang about tonight. [*Laughter*]

Thank you all. God bless you, and good night.

NOTE: The President spoke at 10:48 p.m. in the East Room at the White House. In his remarks, he referred to singer Mary Chapin Carpenter and her accompanists, John Jennings and Jonathan Carroll.

### **Remarks to the National Governors' Association Meeting**

*January 30, 1995*

Good morning. First, I want to welcome you back to the White House. For those of you who were here last night, Hillary and I enjoyed having you; it was a great dinner and we enjoyed the conversation and the entertainment and the fellowship.

There are two or three things I'd like to speak about this morning before turning the microphone over to Governor Dean and Governor Thompson and the Vice President. First, let me thank the executive committee for its vote yesterday on our stabilization measure for Mexico. And let me urge the NGA as a whole to support that executive committee recommendation.

The United States has a lot at stake in Mexico. We have hundreds of thousands of jobs that are tied to the success of the Mexican economy. It is now our third largest trading partner—several billions of dollars a year. Our future cooperation and our ability to manage some very significant immigration problems could be affected by what is going on there, and the efforts that we are making to cooperate on the drug issue could obviously be affected by what is going on there.

I want to emphasize that the stabilization initiative is not a gift, not a loan, not a bailout; it is a loan guarantee. We are cosigning a note. We'll have good collateral. We're doing

it because it's in the interest of the United States. I worked on it extensively this weekend, and I realize that it's not politically popular back home, it's a rather complex issue, but it is clearly in the interest of American workers, American businesses, and the United States as a whole. So I thank the executive committee for your vote, and I hope the NGA as a whole will follow the recommendation of the executive committee.

The second thing I'd like to talk about is, very briefly, is the commitment that I made 2 years ago to have a better, stronger partnership with the States, to regulate less, to empower more, to try to push more responsibilities down to the State and local level. The Vice President will say a little more about that, and then tomorrow at the NGA I'll have a chance to speak in greater detail.

But we have worked not simply to reduce the size of the Federal Government, although we have by over 100,000 already; not just to reduce the burden of regulation, although we have in banking and interstate trucking and number of other areas; not just to reduce the cost, although we did, last year was the first time in 25 years when the Congress voted to reduce both domestic and defense spending, obviously, except for Social Security and the health care programs, but also to try to move responsibility to the States.

In the last 2 years, our administration, for example, granted more waivers in the area of health care and welfare reform than in the previous 12 years combined. And we want to do more of that. We also have worked very hard to try to help work through problems that have existed in the past with specific governmental agencies, and we want to do more of that. And as I said, the Vice President will have more to say about that.

We are strongly supporting the move to get unfunded mandates legislation passed in the Congress and are encouraged by the work that was done in the United States Senate where, as I remember, the bill passed 86–10 last week, after a really open and honest discussion of all appropriate amendments. The legislation is now moving through the House. I think there are about 100 amendments pending, but I think they will move

through it in a fairly expeditious way, just as the Senate did.

With regard to the balanced budget amendment, it has passed the House; it is now in the Senate. I will say again what I've said all along here. It seems to me that the State legislators, the people, and the Governors have a right to know what is entailed in the time line if the effort is made. And I would hope that we would continue to take that right-to-know position. You have a right to know what happens. You have a right to know what happens if we protect Social Security. You have a right to know what happens if we protect Social Security and Medicare. You have a right to know what happens in the details of this.

We have cut \$600 billion-plus off this deficit. I am going to give a budget in early February to the Congress which will take over \$140 billion more in cuts. We have eliminated 100 programs; we have cut hundreds and hundreds of others. I want to keep bringing this deficit down, but I think we ought to all go into a change in the fundamental document of this country with our eyes wide open and knowing what the consequences are.

The third thing I'd like to talk about, briefly, is welfare reform. For those of you who were present at the Saturday meeting, I want to thank you again for being there. It reminded me very much of the process that we went through in 1987 and 1988 when we had a Republican President and a Democratic Congress and a bipartisan group of Governors. And we worked in '87 and '88 toward the passage of the Family Support Act.

I thought it worked then; I think it will work now, if we all work in good faith. We agreed that welfare has to be reformed, that the most important thing is to change it from a system which fosters dependence to one that fosters work and independence, that we ought to support education where it is needed, and that we ought to support responsible parenting.

We agreed that, as we try to put more of the operational decisions back to the State and local level, there must be some strong national steps taken on child support enforcement, because so many of those orders

are multi-State in their impact and because we are doing such a bad job as a country now in collecting child support which should properly be paid to children.

We agreed that there must be more State and local flexibility; we agreed that there ought to be an effort to reduce teen pregnancy and out-of-wedlock pregnancy, generally. Governor Carper gave a very moving presentation of what is going on in Delaware, and as you know, I announced in my State of the Union that we would make a national effort on this which we'll have more to say about in the next few days.

We did not reach final agreement on the questions of how the partnership should be structured, what the implications of a block grant would be, and what, in specific terms, the national interest is in preserving the welfare of the children of this country. I have to say that I basically am in favor, as I always have been, of maximum flexibility for the States. I was a strong supporter of the Community Development Block Grant Program, for example, when I served as a Governor. But we do have a national interest in protecting the welfare and the possibilities of our children.

In 1985, for the very first time in our history, at least since we've been keeping such statistics, the elderly became less poor than the rest of the population because of the cost-of-living adjustments and Social Security, because of supplemental security income, because of Medicare. That is something I think we're all proud of.

The flip side of that is that the poverty population itself has stayed the same, or has actually increased, and almost all the poor now are little children and their not very well educated parents, by and large. So we do have a national interest in the welfare of these children and in changing the welfare system so that it promotes responsibility and lifts people up without punishing children who were not the cause of the problems that they face in life. That, it seems to me, is the dividing line that we have to be animated by as we try to forge this new partnership. I'm excited about it; I think we can do it.

We must pass welfare reform this year, and it has got to be real, meaningful, different, and better and broader than anything we've

ever done before. And it ought to give you a great deal of flexibility out of—if nothing else, out of a sense of sheer simple humility that no one has all the answers to deal with these difficult riddles that threaten the stability of our families and the future of our kids.

So I am encouraged by where we are. I thank you again for the executive committee resolution on Mexico. We are going to work with you to further the partnership between the States and the Federal Government. And we must pass welfare reform this year, but it ought to be the right kind with the right results.

NOTE: The President spoke at 9:58 a.m. in the East Room at the White House. In his remarks, he referred to Gov. Tommy G. Thompson of Wisconsin.

### **Remarks and an Exchange With Reporters Prior to Discussions With President Mircea Snegur of Moldova January 30, 1995**

**The President.** Let me say, first of all, it's a real pleasure and an honor for me and for the United States to welcome President Snegur here and the whole delegation from Moldova. They have been a real model of commitment to democracy and to economic reform. And we have been deeply impressed by the work they have done, the progress they have made. And I'm looking forward to my visit with him.

I also want to thank him for sending me the nice Moldovan wine last Christmas, which was very much appreciated here at the White House.

#### **Mexican Loan Guarantees**

**Q.** Mr. President, will you have a Mexico bailout bill ready today? The peso and the bolsa are dropping sharply.

**The President.** We certainly hope so. I worked yesterday for several hours on this and secured again the reaffirmation of the commitment of the leadership of both parties in both Houses to go forward. And we have put out more strong statements today about it.

I think we just—this is something we have to do. The time is not a friendly factor, and

I realize that the Congress had other important measures to debate last week, the unfunded mandates legislation in the Senate, the balanced budget amendment in the House. But this can be resolved fairly quickly, and it needs to be.

**Q.** Mr. President, there's a suggestion by some leaders that support is eroding for the package rather than increasing. Do you—is that the case?

**The President.** Well, I think it will increase again once people look at the facts, if we get a bill out there. We need to—the bill needs to go in. And Secretary Rubin has, and others, have negotiated in great detail and in good faith with the appropriate leaders in the Congress, the committee chairs and others. And I think they're ready for a bill to go forward. And it's time to get it in and go forward.

**Q.** What do you think of critics who say it's a bailout for Wall Street?

**The President.** It isn't a bailout for Wall Street. There are—first of all, helping the economy stay strong down there is more important than anything else for our working people and our businesses on Main Street that are doing such business in Mexico. If they want to continue to grow and to have that as a market, we can't let the financial markets, in effect, collapse the Mexican political and economic structure. Secondly, there are a lot of pension plans and ordinary Americans that have their investments tied up there. Thirdly, we have immigration and narcotics cooperation and control issues here involved. This is something for ordinary Americans. It's very much in our interest, and we don't want to let it spread to other countries and, indeed, to developing countries throughout the world. We're trying to promote countries that are moving toward market reforms and moving toward democracy, not to undermine them. And it's very much in our personal interest to do so. It is not a Wall Street bailout, it's in America's interest to build the kind of future we want.

**Q.** Are you optimistic you'll get a package this week or next?

**The President.** I'm optimistic that we'll pass it because more often than not in very difficult issues the Congress does the right thing. And we've got a new and different